

# **ACQUISTION OF BELCHERTOWN ROAD PROPERTY FOR COMMUNITY HOUSING**

Town Council

December 21, 2020

Presented by:

Dave Ziomek, Assistant Town Manager

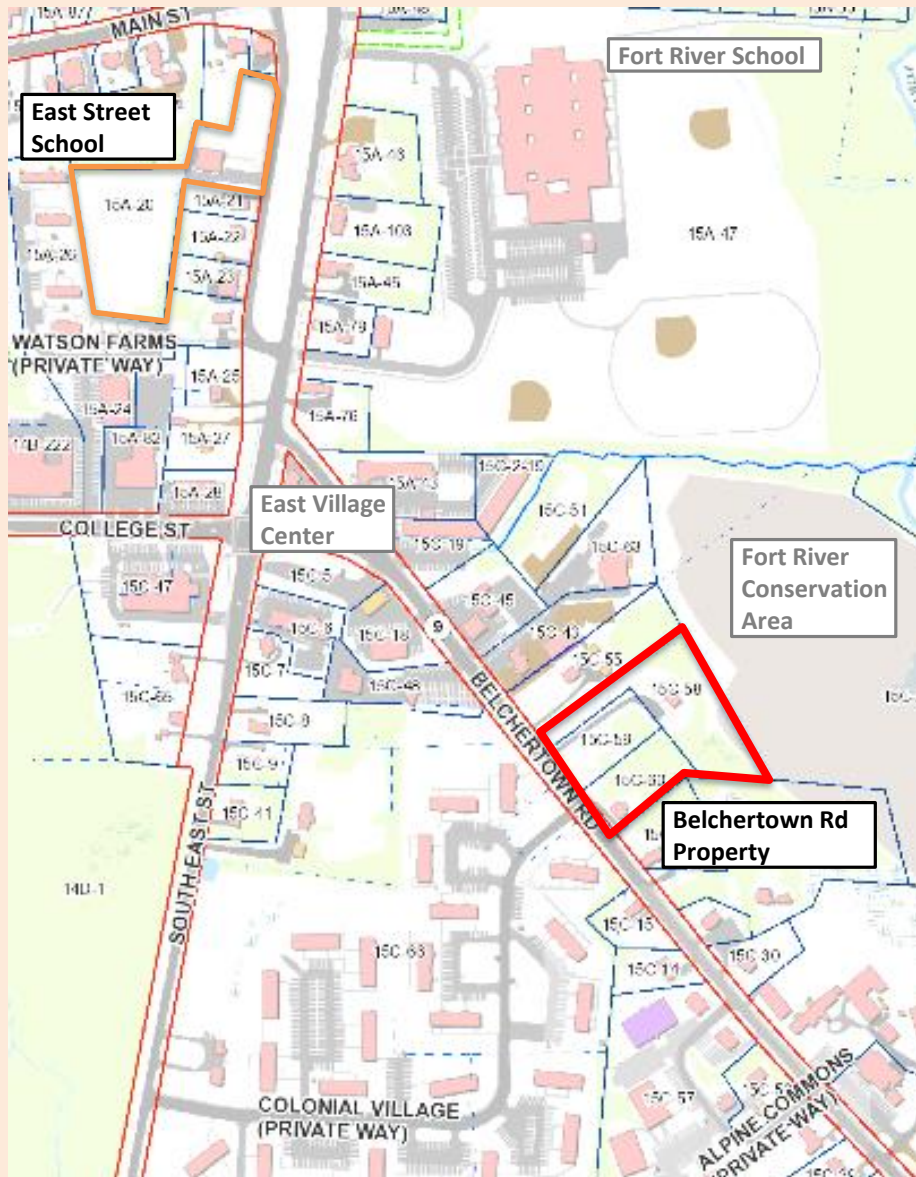
Rob Morra, Building Commissioner

John Hornik, Chair of Housing Trust

# Overview of What We Plan to Do

- Facilitate the development of up to 40 new affordable rental units
- The Belchertown Road properties can accommodate 35-40 units
- Evaluate development viability of Belchertown Road properties
- Complete purchase of the Belchertown Road properties
- Create a Request for Proposals (RFP) to select a developer to design and build affordable housing at both the Belchertown Road and the East Street School sites

# Property Context



- East Village Center
- Access to public transit
- Walkable to nearby commercial/retail shops
- Context of Multi-family developments
- Connection to Conservation Areas
- Proximity to East Street School property



# Property Context



- Google Street View looking southeast down Route 9 and at property



**House at 80 Belchertown Rd.**



**House at 72 Belchertown Rd.**



# Property Description & Current Status



- Total of 2.66 Acres
- Three properties, two with existing residential buildings
- One building rented through May 2021
- Approximately 1.75 Acres are flat, developable land
- Approximately 280 feet of frontage along Route 9
- Purchase and Sale is executed
- Initial property assessments are complete

# Project Need

- Severe lack of affordable housing identified in:
  - The Housing Production Plan, HPP (2013),
  - Comprehensive Housing Market Study (2015), and
  - The Housing Trust’s Strategic Plan (2017)
- The HPP indicated that the Town would need to add a minimum of 250 affordable units over 5 years to partially satisfy the need.
- Less than 50 units have been added in the last 5 years
- The vacancy rate of rental units is often less than 2%, making it difficult to find housing
- Amherst currently has 1,211 units listed on the State’s Subsidized Housing Inventory—12.59% of 9,621 total housing units
- Development of this property would add up to 40 affordable units (increase SHI % to 12.95)

**Unmet Housing Needs in Amherst**

Population in Need	Housing Available	Unmet Need*	Recommended in HPP For Next Five Years**
Extremely Low Income (Within 30% AMI)	2,490	1,970 (about 1,500 are likely students)	200 units (rentals) or 83% of annual production goal of 48 units over 5 years
Very Low Income (30% to 50% AMI)	1,190	505	
Low to Moderate Income (50% to 80% AMI)	1,050	575	40 (homeownership)
Families***	3,430	870	150
Seniors***	1,860	830	50
People with Disabilities***	72 (MassAccess) + est. 100 other units+ 81 DDS units = 253	2,200	25
Persons who are Homeless***	18 beds at Craig’s Place + 8 units at Jessie’s House	15	Part of the 200 units listed above

Unmet Housing Need as identified in Housing Production Plan

# Project Opportunities—why now?



**View from property along 72 Belchertown Rd.  
toward the East Village Center**

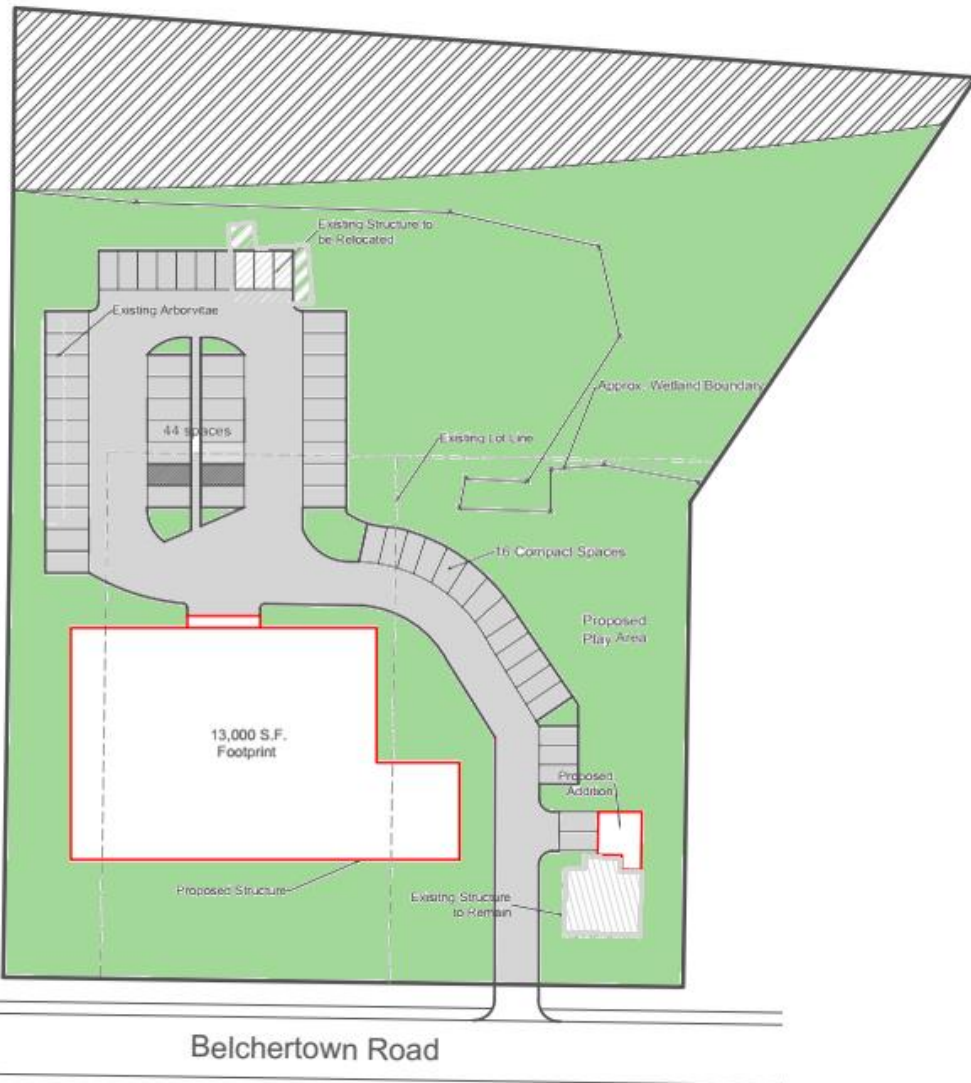


**View from rear of 72 Belchertown Rd. looking onto  
Fort River Farm Conservation Area**

- Help meet critical need for more affordable housing
- Collaborative initiative with the Housing Trust
- Connection to adjacent Fort River Farm Conservation Area
- At requested funding level, Town investment of less than \$30K per unit
- Bundle property with the East Street School property for a competitive project (approx. 70 units)
- Purchase price below appraised value



# Development Potential



- Facilitate development of up to 40 affordable units on this property
- Surrounded by multi-family housing and commercial/retail
- Could be bundled with East Street School to attract developer and better financing such as tax credits
- Utilities and public infrastructure on site
- Possible relocation or reuse of existing buildings
- Permitted as a 40B



# Budget

Sources	Amount
Housing Trust	\$225,000
CPA Funds	\$600,000
<b>Total</b>	<b>\$825,000</b>
Expenses	Amount
Purchase price (including \$40K refundable deposit)	\$735,000
Technical services and due diligence	\$25,000
Legal Fees and property management	\$15,000
Contingency	\$50,000
<b>Total</b>	<b>\$825,000</b>

- Sources of funding include existing Trust assets and current request of CPA funds
- Use of CPA funds for Community Housing has affordability requirements
- Expenses include agreed upon purchase price
- Technical services include such things as wetland assessment and survey
- Legal fees for title work

# Timeline

- 12/21** Town Council Meeting
- 12/22** Finance Committee Meeting
- 12/31** Complete property assessments per Purchase and Sale Agreement
- 1/4** Public Forum by Town Council
- 1/5** Finance Committee Meeting
- 1/12** Community Resource Committee (CRC) Meeting
- 1/25** Town Council Meeting
- 2/16** Closing
- Spring 2021**—RFP to select a developer for affordable housing

Thank you and Questions